

**Amendments to the Claims:**

Claims 1-20 (Cancelled).

21. (Currently Amended) A magnetic card transaction apparatus comprising:  
a card slot from which a magnetic card is inserted;  
a card transferring mechanism that takes in the magnetic card inserted from the card slot; and  
a magnetic head disposed between the card slot and the card transferring mechanism, wherein the magnetic head detects a first condition when the magnetic card is inserted from the card slot;  
a control circuit coupled to an output of the magnetic head which detects the first condition through the magnetic head output wherein the magnetic card is inserted from the card slot, the control circuit further detects, after the first condition is detected, a second condition wherein the output of the magnetic head is ~~reduced to substantially zero or~~ is lowered which is indicative of slowing down of the magnetic card, wherein after the control circuit detects the second condition of the magnetic being slowed down, the card transferring mechanism is driven to take in the magnetic card.

22. (Cancelled).

23. (Previously Presented) A magnetic card transaction apparatus comprising:  
a card slot from which a magnetic card is inserted;  
a card transferring mechanism that takes in the magnetic card inserted from the card slot;  
a shutter which opens or closes a card guiding path guiding the magnetic card inserted from the card slot to the card transferring mechanism;  
a magnetic head disposed between the card slot and the shutter; and  
a shutter controller coupled to an output of the magnetic head which opens the card guiding path by driving the shutter after the shutter controller detects that the movement of the magnetic card is restricted by the shutter through the magnetic head output.

24. (Previously Presented) The magnetic card transaction apparatus according to claim 23 wherein the shutter controller detects that the movement of the magnetic card is restricted by the shutter by monitoring the magnetic head output for a reduction in output level that indicates slowing down of the magnetic card.

25. (Previously Presented) The magnetic card transaction apparatus according to claim 23, further comprising a drive control circuit that includes the shutter controller, wherein after the drive control circuit detects that the movement of the magnetic card is restricted by the shutter, the drive control circuit opens the shutter and drives the card transferring mechanism to take in the magnetic card.

26. (Previously Presented) The magnetic card transaction apparatus according to claim 25, wherein after the drive control circuit detects that the movement of the magnetic card is restricted by the shutter, the drive control circuit opens the shutter, waits a predetermined time period, and then activates the card transferring mechanism to take in the magnetic card.

27. (Currently Amended) A magnetic card transaction apparatus comprising:  
a card slot from which a magnetic card is inserted;  
a card transferring mechanism that takes in the magnetic card inserted from the card slot;  
a guiding path that guides the magnetic card inserted from the card slot to the card transferring mechanism;  
a magnetic head; and  
a drive control circuit coupled to an output of the magnetic head and which drives the card transferring mechanism to transfer the magnetic card from the guiding path to an inside of the magnetic card transaction apparatus after the drive control circuit detects through an output of the magnetic head which detects a first condition wherein the magnetic card is inserted in to card slot and after the first condition is detected, a second condition wherein the output of the magnetic head is ~~reduced to substantially zero or is~~ lowered by means of that the magnetic card is stopped by the card transferring mechanism which is not driven, and after the second condition is detected when the magnetic card is slowed down, the card transferring mechanism is driven to take in the magnetic card.

28. (Cancelled)

29. (Previously Presented) A magnetic card transaction apparatus for preventing an unauthorized reading of a magnetic card, comprising:

a card slot from which a magnetic card is inserted;

a card transferring mechanism that, when activated, takes in the magnetic card inserted from the card slot;

a magnetic head; and

a drive control circuit which detects through an output of the magnetic head a first condition wherein the magnetic card comes in contact with the card transferring mechanism or in contact with a shutter disposed between the card slot and the card transferring mechanism such that the magnetic card is stopped by the card transferring mechanism or by the shutter, the drive control circuit further opens the shutter or activates the card transferring mechanism when the first condition is detected.

30. (Previously Presented) The magnetic card transaction apparatus according to claim 29, wherein the first condition is detected when the output of the magnetic head is reduced to substantially zero or is lowered.

31. (Previously Presented) The magnetic card transaction apparatus according to claim 29 wherein when the first condition is detected, the drive control circuit opens the shutter.

32. (Previously Presented) The magnetic card transaction apparatus according to claim 29 wherein when the first condition is detected, the drive control circuit activates the card transferring mechanism.

33. (Previously Presented) The magnetic card transaction apparatus according to claim 29 wherein when the first condition is detected, the drive control circuit opens the shutter, waits for a predetermined time period and then activates the card transferring mechanism.

34. (Cancelled)

35. (New) A card processing method for a magnetic card transaction apparatus comprising:

inserting a magnetic card into a card slot;

detecting the magnetic card in the card slot by reading an output from a magnetic head that is disposed between the card slot and a card transferring mechanism;

after that, detecting a slowing down or stopping of the magnetic card using a control circuit to determine whether the output of the magnetic head is reduced to substantially zero or lowered which is indicative of slowing down of the magnetic card to prevent illegal reading; and

after that, driving the card transferring mechanism to take in the magnetic card.

36. (New) A card processing method for a magnetic card transaction apparatus comprising:

inserting a magnetic card into a card slot;

detecting the magnetic card in the card slot by reading an output from a magnetic head that is disposed between the card slot and the card transferring mechanism;

after that, detecting that a movement of the magnetic card is restricted to prevent illegal reading by the shutter for opening or closing a card guiding path guiding the magnetic card inserted from the card slot to a card transferring mechanism by using the output of the magnetic head; and

opening the shutter after detecting restriction of the movement of the magnetic card.

37. (New) A card processing method for a magnetic card transaction apparatus comprising:

inserting a magnetic card into a card slot;

detecting the magnetic card in the card slot by reading an output from a magnetic head that is disposed between the card slot and a card transferring mechanism;

guiding the magnetic card inserted from the card slot to the card transferring mechanism;

after that, detecting the output of the magnetic head is reduced to substantially zero

or is lowered to prevent illegal reading by means of that the magnetic card is stopped by the card transferring mechanism which is not driven; and

driving the card transferring mechanism to take in the magnetic card, after detecting reduction of the output of the magnetic head.

38. (New) A card processing method for a magnetic card transaction apparatus comprising:

inserting a magnetic card into a card slot;

opening or closing a card guiding path using a shutter for guiding the magnetic card inserted from the card slot to the card transferring mechanism;

after that, detecting that the movement of the magnetic card is restricted to prevent illegal reading by one of the card transferring mechanism which is not driven and a shutter for opening or closing a card guiding path guiding the magnetic card inserted from the card slot to a card transferring mechanism by using the output of a magnetic head; and

after that, opening the shutter or activating the card transferring mechanism to take in the magnetic card.